

February 18, 2016

Joint Legislative Committee on Local Government  
North Carolina General Assembly  
Legislative Building  
16 West Jones Street  
Raleigh, North Carolina 27601  
Attention: Committee Chairs and Committee Assistant

Fiscal Research Division  
North Carolina General Assembly  
Legislative Office Building  
300 North Salisbury Street, Suite 619  
Raleigh, North Carolina 27603-5925

Re: Installment Financing Agreement by the City of Greensboro, North Carolina for Coliseum  
Improvements

Ladies and Gentlemen:

In accordance with Section 120-157.2(a) of the General Statutes of North Carolina, as amended, the City of Greensboro, North Carolina (the "City") hereby notifies you of its intent to issue a limited obligation bond anticipation note (the "Note") pursuant to Section 160A-20 of the General Statutes of North Carolina in the principal amount not to exceed \$20,000,000 to provide interim financing for various improvements to the City's coliseum complex (the "Project"). The obligations of the City under the Note will be secured by a deed of trust granting a lien on a portion of the City's coliseum complex. The payments of principal of and interest on the Note will be subject to annual appropriation by the City, and the City's obligations with respect to the Note will not be secured by the faith and credit or taxing power of the City.

It is expected that the Note will have a term not to exceed six years and will initially bear interest at a variable rate equal to (1) 70% of one-month LIBOR plus 0.40% for the tax-exempt component of the Note and (2) one-month LIBOR plus 0.50% for the taxable component of the Note. The City intends to incur long-term indebtedness within three years from the date of the Note for the purpose of prepaying the Note.

The City expects to obtain the approval of the Note from the North Carolina Local Government Commission on April 5, 2016 and close the financing by April 30, 2016.

If you have any questions or require any further information, please do not hesitate to contact me.

CITY OF GREENSBORO, NORTH CAROLINA

By: 

Richard L. Lusk  
Finance Director

cc: Local Government Commission

February 18, 2016

Joint Legislative Committee on Local Government  
North Carolina General Assembly  
Legislative Building  
16 West Jones Street  
Raleigh, North Carolina 27601  
Attention: Committee Chairs and Committee Assistant

Fiscal Research Division  
North Carolina General Assembly  
Legislative Office Building  
300 North Salisbury Street, Suite 619  
Raleigh, North Carolina 27603-5925

Re: Revenue Bond Anticipation Note by the City of Greensboro, North Carolina for Water  
and Sanitary Sewer Improvements

Ladies and Gentlemen:

In accordance with Section 120-157.2(a) of the General Statutes of North Carolina, as amended, the City of Greensboro, North Carolina (the "City") hereby notifies you of its intent to issue a revenue bond anticipation note (the "Note") pursuant to The State and Local Government Revenue Bond Act, being Article 5 of Chapter 159 of the General Statutes of North Carolina, and Article 9 of Chapter 159 of the General Statutes of North Carolina in the principal amount not to exceed \$50,000,000 to provide interim financing for various improvements to the City's water and sanitary sewer systems (the "Project"). The obligations of the City under the Note will be secured by a lien on the net receipts of the City's water and sanitary sewer system and will not be secured by the faith and credit or taxing power of the City.

It is expected that the Note will have a term not to exceed four years and will initially bear interest at a variable rate equal to 70% of one-month LIBOR plus 0.33%. The City intends to issue revenue bonds within three years from the date of the Note for the purpose of prepaying the Note.

The City expects to obtain the approval of the Note from the North Carolina Local Government Commission on April 5, 2016 and close the financing by April 30, 2016.

If you have any questions or require any further information, please do not hesitate to contact me.

CITY OF GREENSBORO, NORTH CAROLINA

By: R. L. Lusk

Richard L. Lusk  
Finance Director

cc: Local Government Commission



February 15, 2016

Joint Legislative Committee on Local Government  
North Carolina General Assembly  
Legislative Building  
16 West Jones Street  
Raleigh, North Carolina 27601  
Attention: Committee Chairs and Committee Assistant

Fiscal Research Division  
North Carolina General Assembly  
Legislative Office Building  
Suite 619  
300 North Salisbury Street  
Raleigh, North Carolina 27603-5925

Gregory G. Gaskins, Secretary  
Local Government Commission  
N.C. Department of State Treasurer  
3200 Atlantic Avenue  
Raleigh, North Carolina 27604

Re: Report of potential capital projects pursuant to Section 120-157.2 of the North Carolina General Statutes by the Greenville Utilities Commission, of the City of Greenville, North Carolina.

Ladies and Gentlemen:

In accordance with Section 120-157.2(a) of the General Statutes of North Carolina, as amended, the Greenville Utilities Commission, of the City of Greenville, North Carolina, a body politic duly chartered by the State of North Carolina, in Pitt County, North Carolina, (the "Commission") created for the proper management of the public utilities of the City of Greenville, North Carolina (the "City"), which includes an electric system, a natural gas system, a sanitary sewer system, and a water system (collectively, the "Combined Enterprise System") within and without the corporate limits of the City, hereby provides notice of proposed capital projects consisting of certain infrastructure improvements, including electrical transmission line upgrades, point of delivery substation additions and upgrades, water plant upgrades, sewer plant and substation upgrades, natural gas system upgrades and plant additions, and property acquisitions (collectively, the "Project").

The Project is expected to be financed with proceeds of Revenue Bonds (the "New Money Bonds"), with an aggregate principal amount of approximately \$43.5 million, to be issued by the City of Greenville- Greenville Utilities Commission under the

Joint Legislative Committee on Local Government  
Fiscal Research Division  
Local Government Commission

Re: Report of potential capital projects pursuant to Section 120-157.2 of the North Carolina General Statutes by the Greenville Utilities Commission, of the City of Greenville, North Carolina.

February 15, 2016

provisions of an existing bond order and The State and Local Government Revenue Bond Act, being Article 5 of Chapter 1590 of the General Statutes of North Carolina, as amended.

In addition to the New Money Bonds, the Commission and the City also plan to proceed with refunding up to \$30 million of outstanding Greenville Utilities Commission Combined Enterprise System Revenue Bonds with revenue refunding bonds (the "Refunding Bonds").

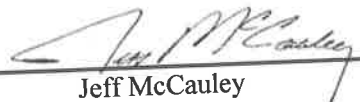
The New Money Bonds and the Refunding Bonds (collectively, the "Series 2016 Bonds") is not anticipated to exceed an aggregate principal amount of \$73.5 million.

The City and the Commission expect to make debt service payments on the Series 2016 Bonds with the net revenues of the Combined Enterprise System.

The City and Commission anticipate that the Local Government Commission will consider approval of the Bond at the meeting scheduled for May 3, 2016.

Thank you and please contact Jeff McCauley, Chief Financial Officer for the Greenville Utilities Commission, at (252) 551-1532 if additional information is needed.

Greenville Utilities Commission

By:   
Jeff McCauley  
Chief Financial Officer

cc: Anthony C. Cannon, General Manager\CEO, Greenville Utilities Commission  
Bernita Demery, Director of Financial Services, City of Greenville



*City of Belmont*

115 N. MAIN STREET  
POST OFFICE BOX 431  
BELMONT, N.C. 28012  
PHONE (704) 825-5586  
[www.cityofbelmont.org](http://www.cityofbelmont.org)

16 February 2016

Fiscal Research Division  
N.C. General Assembly  
Suite 619  
Legislative Office Building  
300 North Salisbury Street  
Raleigh, North Carolina 27603-5925

**RE: City of Belmont Request to Finance Street Paving Project**

Dear Joint Legislative Committee on Local Government:

The City Council of the City of Belmont desires to make much-needed repairs to city streets later this year, and seeks approval to borrow just over \$1 million to pay for this street repair project. City staff is working with staff from the Local Government Commission on this project. The City's goal is to present this request to the Local Government Commission at its May 3, 2016 meeting.

Purpose of the Project

In 2014, the city council reviewed a pavement condition survey conducted by an independent consultant, U.S. Infrastructure, who rated all city streets on a 0-100 scale. The streets with a rating of 0 were in dire need of repair, while streets with a rating of 100 would be brand new.

In 2015, the city council directed city staff to provide a paving program to address all city streets with a rating of ten (10) or lower. Staff presented a program that would cost approximately \$1,027,000 to complete this request.

Scope of the Project

The scope of the paving program is to resurface and repair all city streets with a pavement condition rating of ten (10) or less.

Debt Requirements of the Project

City staff has received preliminary estimates from lenders for this financing program. Based on 2.5% interest, the annual cost of borrowing \$1 million for five (5) years is \$213,750.



### Means of Financing the Project

The city council has authorized staff to solicit installment financing for this project, using a conventional bank loan for a five (5) year term.

### Sources of Repayment for the Project

The City of Belmont can pay this debt service using a combination of Powell Bill funding and revenue from its vehicle license tax. The City of Belmont currently receives approximately \$300,000 annually from Powell Bill funding and approximately \$50,000 annually from its \$5 per vehicle license tax. The city council will use its new authority, approved in the 2015 state budget, to increase the vehicle license tax to at least \$15 per vehicle, resulting in approximately \$150,000 per year for street repairs.

Given the annual debt payments for this project and the revenue the City of Belmont receives annually from the Powell Bill and the vehicle license tax, the City can pay for this project and still perform routine maintenance on its city streets.

Please let me know if you have any questions or concerns about our request.

Sincerely,

A handwritten signature in blue ink, appearing to read "Adrian Miller".

Adrian Miller  
Interim City Manager

Copy: Joint Legislative Committee on Local Government, NC General Assembly  
Vance Holloman, Local Government Commission



February 16, 2016

Joint Legislative Committee on Local Government  
Attention: Committee Chairs, Committee Ass't  
North Carolina General Assembly  
16 West Jones St.  
Raleigh, NC 27601

Fiscal Research Division  
Attention: Director  
North Carolina General Assembly  
300 North Salisbury St., Suite 610  
Raleigh, NC 27603

**Notice to the Joint Legislative Committee on Local Government**  
**Concerning Proposed Financing by Macon County**

To the Committee:

As counsel to Macon County, North Carolina, and as required under N.C. Gen. Stat. Section 120-157.2, I am providing this notice of a proposed local government capital project that requires approval of the North Carolina Local Government Commission and requires debt to be issued in an amount exceeding \$1,000,000. Here is information about the proposed financing -

**Project description** - construction of a new landfill cell and payment of related costs

**LGC meeting for consideration** - April 5, 2016

**Amount to be financed** - estimated as up to approximately \$9,800,000

**Type of financing** - special obligation bonds under Chapter 159I of the General Statutes

**Description of other sources of financing** - The County expects that the amount borrowed will pay substantially all the costs of the project.

**Sanford Holshouser LLP**

February 16, 2016

page 2

**Estimated financing term** - The County expects a financing term of approximately ten years, which essentially approximates the expected useful life of the property being financed.

**Estimated interest rate** - Under current market conditions, the County expects a true interest cost of the financing of approximately 3.00%.

**Expected source of repayment** - solid waste enterprise revenues. The County will pledge additional general fund (but non-tax) revenues to the payment of the bonds, but the County expects that enterprise funds will provide for full payment.

Please let me know if you have additional questions or comments for me about this proposed financing.

Very truly yours,

A handwritten signature in dark ink that reads "Bob Jessup". The signature is fluid and cursive, with the first name "Bob" and last name "Jessup" clearly legible.

Robert M. Jessup Jr.

cc: Greg C. Gaskins, Secretary of the Local Government Commission  
c/o Biff McGilvray  
Lori M. Hall, Macon County finance officer  
Chester M. Jones, Macon County attorney  
Steven Miller, Martin-McGill  
Mark Bondo, legislative staff [mark.bondo@ncleg.net]  
(each by electronic mail)

# *Town of Taylorsville*

"The Brushy Mountain Gateway"

67 Main Avenue Drive

Taylorsville, North Carolina 28681

828.632.2218 (Phone) • 828.632.7964 (Fax)

www.taylorsvillenc.com

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February 8, 2016

Fiscal Research Division of General Assembly  
Committee Chairs and Committee Assistant  
NC General Assembly  
16 W. Jones Street  
Raleigh, NC 27601

RE: Town of Taylorsville  
Clean Water State Revolving Fund  
Proposed \$1,500,000 Loan  
2015 WWTP Rehabilitation Project  
Project No. CS-370700-06

To Whom It May Concern:

The Town of Taylorsville plans to rehabilitate various portions of its wastewater treatment plant. The following information is presented for your consideration:

Purpose of the Project: The Taylorsville WWTP is designed to treat 0.83 MGD in accordance with its NPDES permit. The plant flow currently averages about 0.4 MGD and the plant is in compliance with the permit. However, various components of the plant are failing, are deteriorated, or have some functionality deficiency. These issues either inhibit proper treatment or will in the near future if left unaddressed. The goal of the project is to improve effluent quality, prevent future component failure, improve equipment reliability, and improve the working environment.

Scope of the Project: The project includes the following work:

- Replace a pump at the return activated sludge (RAS) pump station and replace a 4" RAS force main with 6" force main.
- Replace aeration basin and digester blowers, as the blowers are over 10 years old.
- Replace the existing 200 k W generator with a larger generator.
- Improve sludge handling facilities, which includes constructing a separate sludge holding tank, improving decanting devices, and rerouting decant force main to the splitter box.

The outcome of the project will be: (1) improved effluent quality, (2) prevention of future component failure, (3) increased equipment reliability, and (4) improved working environment.

Debt Requirement of the Project: The projected construction costs of the 2015 Wastewater Treatment Plant Rehabilitation Project is \$1,500,000 and would be funded through a CWSRF loan at zero percent interest for 20 years.

Means of Financing the Project: As stated above, the project will be financed by a CWSRF loan of up to \$1,500,000 at zero percent interest for 20 years.

Sources of Repayment for the Project: The SRF loan principal will be repaid using funds collected by the Town from its current customer base, through normal fees. Increases in these normal fees may be necessary in the near future but we anticipate such fees to remain below 4% of the Median Household Income for our service area even at the worst case interest rate scenario of a 4.00% interest rate (for those customers using 5,000 gallons per month or less). There will be no interest payments, according to the terms of the SRF loan program.

We understand that the Fiscal Research Division of the General Assembly needs to review this Project. If more specific information is needed, please do not hesitate to contact me at the address above or to contact our consulting engineer, Benjie Thomas of West Consultants, at:

West Consultants, PLLC  
405 South Sterling Street  
Morganton, NC 28655  
Phone: (828) 522-4728  
Fax: (828) 433-5662  
Email: bthomas@west-consultants.com

Sincerely,



David Odom, Town Manager

cc: Vance Holleman  
Local Government Commission  
NC Department of State Treasurer  
325 N. Salisbury Street  
Raleigh, NC 27603-1385

Kim Colson, PE, Director  
NC Division of Water Infrastructure  
1633 Mail Service Center  
Raleigh, NC 27699-1633

# *Town of Taylorsville*

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February 8, 2016

Fiscal Research Division of General Assembly  
Committee Chairs and Committee Assistant  
NC General Assembly  
16 W. Jones Street  
Raleigh, NC 27601

RE: Town of Taylorsville  
Clean Water State Revolving Fund  
Proposed \$1,085,000 Loan  
2015 Collection System Rehab  
Project No. CS-370700-05

To Whom It May Concern:

The Town of Taylorsville plans to rehabilitate various portions of its wastewater collection system. The following information is presented for your consideration:

**Purpose of the Project:** This project is a continuation of the Town's effort, and part of their Council approved 2010 CIP, to improve their collection system, thus improving their WWTP operation.

The goal of the project is to identify I/I sources and rehab/repair those defect sources in order to reduce I/I, blockages, and exfiltration. This will in effect decrease the amount of grit reaching the WWTP, thus saving wear on plant equipment, time and labor to remove grit, and restore treatment capacity. The project will identify I/I defect sources through smoke test and CCTV inspections. Rehab/repair types include gravity pipe rehabilitation (CIPP), spot (point) repairs of vitrified clay or reinforced concrete gravity sewer pipes, 6" gravity pipe replacement with 8" PVC pipe, manhole rehab/repairs, and various repairs resulting from the smoke test inspections.

**Scope of the Project:** The project includes the following work:

- Smoke test inspections of 68,000 LF of gravity sewers within the tributary areas of the Northwood PS (pump station), Paul Payne PS, and the Jay Drive PS. This task also includes the repairs of identified defects.
- The (10) manhole rehab/repairs (MH inserts, frame/cover reseal to riser or cone, frame/cover replacements).
- Cleaning and CCTV inspections of 22,085 LF of gravity sewers (6" - 2,537 LF; 8" - 18,234 LF; 10" - 790 LF; 15" - 524 LF).
- Pipe repairs and replacement are expected to consist 30 gravity sewer spot repairs and replacing 1,300 LF of 6" gravity sewers with 8" gravity sewers.
- Pipe rehabilitation is expected to consist of relining 14,375 LF (8" - 12,600 LF, 10" - 1,000 LF, 12" - 275 LF, and 15"-500 LF) of gravity sewers with cured-in-place pipe (CIPP).

All gravity sewer replacements are proposed to use ASTM 03034, SOR 35 PVC pipe. With the exception of 6" gravity lines, which are allowed to be replaced with 8" lines, the gravity pipe replacements will be replaced with equal pipe diameter, so there will not be an increase in the current capacity.

The outcome of the project will be: (1) reduction of I/I, blockages, and exfiltration, (2) reclaim pipe capacity due to the removal of sediment buildup, (3) increase life of collection system through CIPP, and (4) decrease the amount of grit reaching the WWTP, thus saving wear on plant equipment, time and labor to remove grit, and restore treatment capacity.

Debt Requirement of the Project: The projected construction costs of the Collection System Rehabilitation Project is \$1,085,575, of which \$500,000 would be funded through the CWSRF with principal forgiveness and the remaining \$585,575 funded through a CWSRF loan at zero percent interest.

Means of Financing the Project: As stated above, the project will be financed by a CWSRF loan of up to \$1,085,000 at zero percent interest for 20 years.

Sources of Repayment for the Project: The SRF loan principal will be repaid using funds collected by the Town from its current customer base, through normal fees. The potential for significant impact to median household income (MHI) is below the 4.0% threshold at 1.66%. Even for the worst case interest rate scenario of 4%, there is not a potential for significant impact at 2.96%. There will be no interest payments, according to the terms of the SRF loan program.

We understand that the Fiscal Research Division of the General Assembly needs to review this Project. If more specific information is needed, please do not hesitate to contact me at the address above or to contact our consulting engineer, Benjie Thomas of West Consultants, at:

West Consultants, PLLC  
405 South Sterling Street  
Morganton, NC 28655  
Phone: (828) 522-4728  
Fax: (828) 433-5662  
Email: bthomas@west-consultants.com

Sincerely,



David Odom, Town Manager

cc: Vance Holleman  
Local Government Commission  
NC Department of State Treasurer  
325 N. Salisbury Street  
Raleigh, NC 27603-1385

Kim Colson, PE, Director  
NC Division of Water Infrastructure  
1633 Mail Service Center  
Raleigh, NC 27699-1633



## City of Eden

P.O. Box 70  
Eden, NC 27289-0070  
(336) 623-2110  
Fax (336) 623-4041



February 17, 2016

Joint Legislative Committee on Local Government  
Committee Chair and Committee Assistant  
NC General Assembly  
16 W Jones Street  
Raleigh, NC 27601

AND

Fiscal Research Division  
NC General Assembly  
Suite 619  
Legislative Office Building  
300 North Salisbury Street  
Raleigh, NC 27603-5925

To Whom It May Concern:

This letter is to notify you that the City of Eden, in Rockingham County, intends to request approval of debt in an amount not to exceed \$1,500,000 to rehabilitate existing water and sewer lines in Water Construction Projects: Automatic Flushing Device Installations, Caleb Street W/L Upgrade, W. Harris Place WL Replacement, Victor Street WL Replacement, Front & Burgess Street WL Replacement, Sewer Construction Projects: Covenant Branch, Condition Assessment, and Tanyard Branch Sewer Outfall Project. This is part of ongoing projects designed to replace failing water and sewer lines in our system. It is our desire to seek approval from the Local Government Commission on the first available agenda.

These projects will be financed with funding from proceeds of tax-exempt obligations. Repayment of this loan will be through revenue from the operation of the City owned water and sewer utilities. The city has programmed Water and Sewer rate increases scheduled for 1/1/16, and 9/1/16. Our City Council has pledged by resolution to support the repayment of the loan by water and sewer rate revenue.

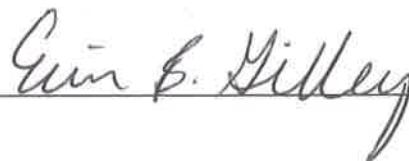
If you need additional information on these debt requests, please contact Tammie McMichael, Finance Director at 336-623-2110 Option 1.

Sincerely,



Brad Corcoran,  
City Manager

Reviewed by City Attorney, Erin Gilley



CC:Vance Holloman



**RESOLUTION TO PROCEED WITH PRIVATE PLACEMENT FINANCING FOR THE WATER CONSTRUCTION PROJECTS: AUTOMATIC FLUSHING DEVICE INSTALLATIONS, CALEB STREET WL UPGRADE, W HARRIS PLACE WL REPLACEMENT, VICTOR STREET WL REPLACEMENT, FRONT & BURGESS STREET WL REPLACEMENT, SEWER CONSTRUCTION PROJECTS: COVENANT BRANCH, CONDITION ASSESSMENT, AND TANYARD BRANCH SEWER OUTFALL PROJECT.**

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**WHEREAS**, the Eden City Council (the "Council") has determined that it is in the best interests of the City to finance the construction, renovation, and improvements of certain projects within the City know as the (1) WATER CONSTRUCTION PROJECTS: AUTOMATIC FLUSHING DEVICE INSTALLATIONS, (2) CALEB STREET WL UPGRADE, (3) W HARRIS PLACE WL REPLACEMENT, (4) VICTOR STREET WL REPLACEMENT, (5) FRONT & BURGESS STREET WL REPLACEMENT, (6) SEWER CONSTRUCTION PROJECTS: COVENANT BRANCH, (7) CONDITION ASSESSMENT, AND (8) TANYARD BRANCH SEWER OUTFALL PROJECT (the "Projects") with proceeds of tax-exempt obligations; and

**WHEREAS**, the City of Eden is hereby applying for an Installment Purchase Contract Loan for Water and Sewer Projects to proceed and seeking approval pursuant to North Carolina G.S. 120-157.1 through 157.9; and


**WHEREAS**, the Council has approved a new loan in its FY 2015-2016 budget of up to \$1,500,000 within the Water & Sewer Fund for the Projects and now wishes to appoint an authorized representative and direct staff to proceed with the acquisition of financing proposals from interested banks based on rate, terms, and fees.

**NOW, THEREFORE, BE IT HEREBY RESOLVED** by the Eden City Council that the Director of Finance for the City is hereby authorized and designated to act on behalf of the City for the execution of any and all documents necessary to effectuate the financing of the Projects with proceeds of tax-exempt obligations to be approved by the Council after public hearing, and the staff of the financing department is directed to proceed with the acquisition of financing proposals from at least (3) interested banks.

Adopted and Approved this 16 day of February, 2016.

  
Wayne Tuggle, Mayor

Attest:

  
Sheralene Thompson, CMC, MMC, NCCMC  
City Clerk

